BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF
THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T5-19-22 REDIRECTED FROM WITNESS PATELUNAS)

The United States Postal Service hereby provides responses to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T5-19-22, filed on July 26, 1996, redirected from witness Patelunas.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Susan M. Duchek

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U.S. POSTAL SERVICE RESPONSE TO INTERROGATORIES OF OFFICE OF THE CONSUMER ADVOCATE (Redirected from Patelunas USPS-T-5)

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OCA/USPS-T5-19. Please refer to SSR-90 and to library reference G-127, pages 31-32, R94-1. The Form 22 Density System is described in the library reference titled "Statistical System Documentation" in docket R94-1 but is missing from the MC96-3 "Statistical System Documentation" library reference. Please explain whether that system is still in existence and describe its status as one of the statistical systems.

OCA/USPS-T5-19 Response:

The Form 22 Density System has been temporarily suspended.

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OCA/USPS-T5-20 Please complete the documentation of the Rural Carrier System sample design on pages 37-41 of library reference SSR-90.

- a. Please provide universe size at sample selection, sampling rates, and effective sample sizes by strata.
- b. Please provide the weighting factors and the formulas used to produce the weighting factors.
- c. Please provide the instructions and estimation formulas for the proper use of weighting formulas.
- d. Please describe the extent of second stage sampling that occurs.
 - i. How many rural routes in the universe of routes serve more than one office?
- ii. How many rural routes in the RCS sample for FY95 serve more than one office?
- iii. Are there any effects on the weighting factors for sample routes that serve more than one office? If so please explain.

OCA/USPS-T5-20 Response:

a.

		No. of Routes in Universe	Sampling Rate	Effective Sample	Possible Boxes	Sampled Boxes
Quarter	Stratum					
1	1C	51,397	.023	1,155	527,526	26,675
	2C	36	.056	2	857	48
2	1C	51,886	.023	1,158	525,504	27,151
	2C	36	.056	2	545	29
3	1C	52,420	.024	1,234	566,409	28,629
	2C	35	.057	2	97 7	53
4	1C	53,138	.031	1,596	728,653	37,052
	2C	35	.086	2	404	21

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- b. The weighting factors used in FY95 for strata 1C and 2C respectively are 36,239.27 and 12,080.00. Formulas for calculating the weighting factors are shown in Witness Bailey's R90-1 response to OCA Interrogatory T1-18, Tr. 533-538.
- c. The estimation formulas are shown in Witness Bailey's R90-1 response to OCA interrogatory T1-18, Tr. 533-538.
- d.i. The number of routes in the universe that serve more than one office is unknown.
- d.ii. In quarter 1 FY 95, 67 sampled rural routes served more than one office; in quarter 2, 50 sampled rural routes served more than one office; in quarter 3, 75 sampled rural routes served more than one office; and in quarter 4, 80 sampled rural routes served more than one office.
- d.iii. There are no effects on the weighting factors for sample routes that serve more than one office.

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OCA/USPS-T5-21 Please describe any sampling or estimation changes for the Rural Carrier System that have been put in place since the FY92 sample.

OCA/USPS-T5-21 Response:

No changes have been made.

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OCA/USPS-T5-22. Please refer to Table 11 on page 40 of SSR-90. Most C.V. estimates reported in this table are considerably smaller than those reported in library reference G-127 of FY93. Please describe any changes to the design or estimation methodology that could account for these decreases.

OCA/USPS-T5-22 Response:

There was a program error in the software used to produce the FY93 c.v. estimates for the Rural Carrier System contained in library reference G-127. The c.v. estimate is derived from the estimated variance of a ratio. The variance of a ratio is the variance of the numerator plus the variance of the denominator minus two times the covariance of the numerator and denominator. In the computation of the variance of Rural Carrier System mailclass proportions for FY93, two times the covariance term was added to, instead of subtracted from, the sum of the variance of the numerator and denominator. This programming error resulted in c.v. estimates substantially larger than they should have been.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Susan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 August 9, 1996